## FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

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C C 92-77

September 16, 1994

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SEP 2 2 1994

The Honorable Thad Cochran United States Senate 326 Russell Senate Office Building Washington, D.C. 20510 FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Dear Senator Cochran:

Thank you for your letter on behalf of Eddie M. Lucas, Commissioner, Mississippi Department of Corrections, regarding the Commission's Billed Party Preference (BPP) proceeding. On May 19, 1994, the Commission adopted a <u>Further Notice of Proposed Rulemaking</u> in this proceeding. I have enclosed a copy of the <u>Further Notice</u> and press release accompanying it for your information.

The <u>Further Notice</u> sets forth a detailed cost/benefit analysis of BPP. This analysis indicates, based on the available data, that the benefits of BPP to consumers would exceed its costs. The <u>Further Notice</u> seeks comment on this analysis and asks interested parties to supplement the record concerning the costs and benefits of BPP. The <u>Further Notice</u> also invites parties to recommend alternatives to BPP that could produce many of the same benefits at a lower cost.

The <u>Further Notice</u> also explicitly seeks comment on whether correctional facility telephones should be exempt if BPP is adopted. Specifically, the <u>Further Notice</u> seeks additional information on the effectiveness and costs of controlling fraud originating on inmate lines with or without BPP. The <u>Further Notice</u> also seeks comment on a proposal to exempt prison telephones from BPP if the operator service provider adheres to rate ceilings for inmate calling services.

BPP would not preclude prison officials from blocking or limiting inmate calls to specific telephone numbers in order to prevent threatening and harassing calls. Moreover, BPP would not affect the ability of prison officials to limit inmates to collect calling or to program telephone equipment at the prison site to block certain numbers.

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Thank you for your interest in this proceeding. I can assure you that the Commission will carefully examine all of the comments submitted in response to the <u>Further Notice</u>, including additional empirical data regarding the costs and benefits of implementing BPP and the impact of BPP on telephone service from correctional facilities.

Sincerely yours.

Kathleen M.H. Wallman

Chief

Common Carrier Bureau

**Enclosures** 

## United States Senate

**WASHINGTON, DC 20510-2402** 

August 16, 1994

Please Reply To:

Jackson, Miss.

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39201-2125

AGRICULTURE, NUTRITION, AND FORESTRY

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Mrs. Lou Sizemore, Congressional Liaison Federal Communications Commission 1919 M Street, N.W. Washington, D.C. 20554

Dear Lou:

Enclosed is correspondence sent to me by one of my constituents, Mr. Eddie M. Lucas, Commissioner, Mississippi Department of Corrections. As a courtesy to me, I would appreciate a written response at your earliest convenience.

Any assistance you can provide Commissioner Lucas would be deeply appreciated.

Sincerely,

THAD COCHRAN United States Senator

TC/mp Enclosure



## STATE OF MISSISSIPPI

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DEPARTMENT OF CORRECTIONS

EDDIE LUCAS

COMMISSIONER

22 July 1994

The Honorable Reed E. Hundt Federal Communications Commission 1919 M Street, N.W. Washington, D.C. 20554

Re: Billed Party Preference; CC Docket No. 92-77

Chairman Hundt:

As the Commissioner of the Mississippi Department of Corrections, I feel it is necessary to express my objections to the enactment of Billed Party Preference. Outlined below are our main areas of concern.

- BPP would undermine security and control of inmate calls. There would be no restriction on where inmates could call. Inmates could plan escapes, run scams and conduct criminal operations with no way for the Department of Corrections to track calls or have record of such activity. Judges, witnesses, juries and victims would be open to threats and harassment from inmates and the harassed party would have to pay for the call. The Mississippi Department of Corrections has, in the past, had a national-wide problem with inmate money order scams. By working with our phone service provider and exercising control of inmate calling, the Mississippi Department of Corrections has been able to greatly curtail these fraudulent activities. BPP would eliminate all progress in this area and would escalate call abuse and criminal fraud activity.
- BPP would eliminate revenue sharing.
  Currently all monies from inmate phone calls go into the
  Inmate Welfare Fund. These funds are used solely for the
  benefit of inmates incarcerated in the Mississippi Department

Honorable Reed E. Hundt 22 July 1994 Page -2-

of Corrections. Elimination of this revenue would cause a financial burden to the Department of Corrections and the taxpayers in the State of Mississippi. If BPP is enacted, the equipment currently provided by inmate telephone vendors would have to be purchased by the Department of Corrections with institutional funds at tremendous costs. The Mississippi Department of Corrections would have to provide phone lines and equipment at additional monthly costs. These additional financial burdens would be a severe blow to the State of Mississippi and the taxpayers during this time of nation-wide fiscal crisis in government.

- BPP would eliminate ability to negotiate rates.

The ability to ensure reasonable rates for inmate telephone calls would be taken away from the Department of Corrections. We are very concerned about the financial burden that would be placed on the inmate family. With BPP the rates paid by inmate families would be set by the CEO's of the long distance carriers and the Department of Corrections would no longer be able to negotiate reasonable ceilings for inmate telephone rates. Without reasonable and sensible calling rates, the families of the inmates will no accept the inmate's calls.

In conclusion, for the Department of Corrections to provide telephone service for inmates equal to current service, the costs would be prohibitive if BPP is enacted. Our only alternative would be to reduce inmate telephone service to a level that would be affordable to the Department of Corrections. Enactment of Billed Party Preference would be detrimental to the inmates, their families and the Mississippi Department of Corrections.

Sincerely,

EDDIE M. LICAS, Commissioner

Mississippi Department of Corrections

EML: JEMc: tr

cc: The Honorable James H. Quello
The Honorable Andrew C. Barrett
The Honorable Rachelle B. Chong
The Honorable Susan Ness
Mississippi Public Service Commission

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cc: The Honorable Jamie L. Whitten
The Honorable Benny Thompson
The Honorable G. V. Montgomery
The Honorable Mike Parker
The Honorable Gene Taylor
The Honorable Thad Cochran
The Honorable Trent Lott
David Litchliter, Director, CDPA
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